

**ATTORNEY INSTRUCTIONS RE: FINANCIAL MANAGEMENT COURSE
(11 USC SECTION 111)**

1. Chapters Affected, Effective Date, Deadlines and Rules

a. Financial Management Course is required for individual debtors in Chapter 7 and 13 cases filed on or after October 17, 2005.

b. Voluntary Chapter 7 - Financial Management Course Certificate (Official Form 23) due within 45 days after the meeting of creditors.

c. Voluntary Chapter 13 - Financial Management Course Certificate (Official Form 23) due no later than the last payment made by the debtor as required by the plan, or the filing of a motion for entry of discharge under Sec. 1328(b)

d. Pertinent Rules: FRBP 1007(b)&(c), LBR 4004, FRBP 4006

2. Exceptions

a. debtor is unable to complete course due to incapacity or disability;

b. debtor is on active military duty in an active combat zone;

c. UST has determined that adequate Financial Management services are unavailable in the district

3. Attorney Responsibilities

a. Review list of approved Financial Management Services available on the Court or US Trustee website.

b. Debtor(s) must timely complete the course and file a Certification of Completion of Instructional Course Re Financial Management (Form 23):

1. For Chapter 7 cases - within 45 days after the meeting of creditors;

2. For Chapter 13 cases - not later than the last payment made by the debtor as required by the plan, or the filing of a motion for entry of discharge under Section 1328(b).

c. Docket Financial Management Course event (Category: Other) and associate Form 23 (Certificate of Completion of Financial Management Course) to the event.

1. Form 23 (Certificate of Completion of Financial Management Course) must always be docketed as a separate event!

d. In lieu of filing Form 23, file Motion for Exemption from Financial Management Course.

4. Court Action

a. If the Debtor fails to file Form 23 within the applicable deadline, the clerk will issue a 15 day Notice of Intent to Close Case Without Entry of Discharge.

b. If the Debtor fails to file the Financial Management Course Certification within the 15 day deficiency period, the court will close the bankruptcy without entry of the discharge order.

c. If the Financial Management Course is not one approved by the US Trustee, the court will issue an Order Requesting Position from the US Trustee and the discharge will not enter until the issue is resolved.

5. Debtor's Recourse After Case is Closed

a. Debtor may file a Motion to Reopen for the purpose of filing a Financial Management Course Certificate.

b. Financial Management Course Certificate (Form 23) must be included as an attachment to the Motion to Reopen.

1. Motions to Reopen that do not contain the Financial Management Course Certificate as an attachment will be treated as defective, unless circumstances are noted why debtor cannot complete the course.

c. The applicable reopening fee is required.

d. 13 day deadline set for objections and for UST position.

6. New Events

a. Financial Management Course (located under **Other**);

b. Notice of Deficiency re Financial Management Course Certificate (Court event)

c. Motion for Exemption from Financial Management Course (located under Motion/Applications)

d. Case Closed Without Discharge (Court event)

7. New Forms

a. Completion of Instructional Course re Financial Management (Form 23)

b. Notice of Intent to Close Case Without Entry of Discharge - Court issues this notice when 45 day period expires for filing of Financial Management Course Certificate (Form 23)

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